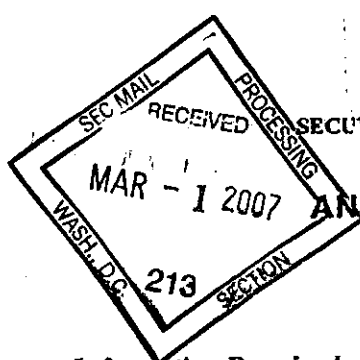


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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL	
GMB Number:	3235-0123
Expires:	January 31, 2007
Estimated average burden hours per response.....	12.00

SEC FILE NUMBER
8- 49205

**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING January 1, 2006 AND ENDING December 31, 2006  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Triton Pacific Capital, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

2029 Century Park East, Suite 2910

(No. and Street)

Los Angeles

(City)

California

(State)

90067

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Robert Davis (310) 300-0840

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Elizabeth Tractenberg, CPA

(Name - if individual, state last, first, middle name)

3832 Shannon Rd., Los Angeles, CA 90027

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant
- ☐ Public Accountant
- ☐ Accountant not resident in United States or any of its possessions.

**FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (08-02)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

**PROCESSED**

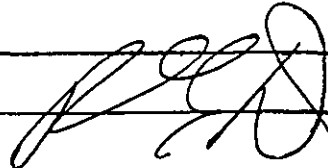
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THOMSON  
FINANCIAL

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## OATH OR AFFIRMATION

I, Robert Davis, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Triton Pacific Capital, LLC, as of December 31, 2006, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:



Signature

CEO

Title



Notary Public



This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of ~~Changes in Cash Flows~~ Changes in Cash Flows.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☒ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition ~~and the Statement of Financial Condition~~.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☒ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

**SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C.**

**ANNUAL AUDIT REPORT**

**DATE - DECEMBER 31, 2006**

**TRITON PACIFIC CAPITAL, LLC  
2029 CENTURY PARK EAST, SUITE 2910  
LOS ANGELES, CALIFORNIA 90067**

## CONTENTS

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**ELIZABETH** CERTIFIED  
**TRACTENBERG** PUBLIC  
ACCOUNTANT

**INDEPENDENT AUDITOR'S REPORT**

Member  
Triton Pacific Capital, LLC

I have audited the accompanying statement of financial condition of Triton Pacific Capital, LLC as of December 31, 2006 and related statements of income (loss), changes in member's equity and cash flows for the year then ended. These financial statements are being filed based on Rule 17a-5 of the Securities Exchange Act of 1934 and include the supplemental schedule of the net capital computation required by rule 15c3-1. These financial statements are the responsibility of Triton Pacific Capital, LLC's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with the auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, such financial statements referred to above present fairly, in all material respects, the financial condition of Triton Pacific Capital, LLC as of December 31, 2006 and the results of its operations, member's equity and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Elizabeth Tractenberg*

Elizabeth Tractenberg, CPA  
Los Angeles, California  
February 25, 2007

TRITON PACIFIC CAPITAL, LLC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2006

ASSETS

Cash and equivalent	\$ 166,597
Commissions receivable	2,785,789
Other assets and deposits	300
Prepaid expenses	58,260
Furniture, fixtures and equipment net of accumulated depreciation of \$83,192	<u>0</u>
 TOTAL ASSETS	 <u><u>\$ 3,010,946</u></u>

LIABILITIES AND MEMBER'S EQUITY

LIABILITIES	
Accrued expenses	19,853
Accrued income taxes	<u>6,000</u>
 TOTAL LIABILITIES	 25,853
 MEMBER'S EQUITY	 <u>2,985,093</u>
 TOTAL LIABILITIES AND MEMBER'S EQUITY	 <u><u>\$ 3,010,946</u></u>

See Accompanying Notes to Financial Statements

TRITON PACIFIC CAPITAL, LLC  
STATEMENT OF INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2006

REVENUES

Commissions Income	\$ 3,982,538
Retainer income	280,000
Reimbursed expenses	105,420
Interest and other income	<u>15,402</u>

TOTAL REVENUES	<u>4,383,360</u>
----------------	------------------

OPERATING EXPENSES - see page 10	<u>2,933,449</u>
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INCOME BEFORE INCOME TAX PROVISION	1,449,911
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INCOME TAX PROVISION	<u>6,800</u>
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NET INCOME	<u><u>\$ 1,443,111</u></u>
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See Accompanying Notes to Financial Statements

TRITON PACIFIC CAPITAL, LLC  
STATEMENT OF CHANGES IN MEMBER'S EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2006

Balance, December 31, 2005	\$ 5,815,867
Net income	1,443,111
Distributions	<u>(4,273,885)</u>
Balance, December 31, 2006	<u>\$ 2,985,093</u>

See Accompanying Notes to Financial Statements



TRITON PACIFIC CAPITAL, LLC  
STATEMENT OF CASH FLOWS  
DECEMBER 31, 2006

Cash Flows from Operating Activities:

Net income	\$ 1,443,111
Depreciation	8,217
Changes in operating assets and liabilities:	

Receivable from a related party	4,347,882
Receivable other related party	146,064
Receivable - clients	(1,718,101)
Accounts payable - related party	(39,358)
Accrued expenses	3,286

Net cash used in operating activities	4,191,101
---------------------------------------	-----------

Cash Flows for Investing Activities:	<u>0</u>
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Cash Flows from Financing Activities:

Distributions/buy out of other members	<u>(4,273,885)</u>
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Net increase (decrease) in cash	(82,784)
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Cash at beginning of year	<u>249,381</u>
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Cash at end of year	<u><u>\$ 166,597</u></u>
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SUPPLEMENTAL INFORMATION

Interest paid	\$ 2,612
Income taxes paid	<u>\$ 800</u>

See Accompanying Notes to Financial Statements

**TRITON PACIFIC CAPITAL, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006**

**NOTE 1 - GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**General**

Triton Pacific Capital, LLC (the "Company" or "TPC"), was organized in the State of California on February 28, 1996 as a Limited Liability Company operating as a registered broker-dealer in securities under the Securities and Exchange Act of 1934. The Company conducts business on a fully disclosed basis. The Company does not hold customer funds and/or securities and is a member of the National Association of Securities Dealers, Inc. ("NASD") and Securities Investors Protection Corporation ("SIPC").

The Company provides investment banking services to the real estate industry.

**Summary of Significant Accounting Policies**

*Receivable from a Related Party*

Expenses are shared between TPC and Triton Pacific Capital Partners, LLC ("TPCP"). The Single Member in TPC was also a member in TPCP. Rent and general overhead are allocated between the two companies.

During 2006 TPC paid approximately \$154,885 of TPCP expenses principally salaries and related expenses of TPCP's managing members and employees. There were no inter-company receivables as of December 31, 2006.

*Use of Estimates*

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Liquidity*

For purposes relating to the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The Company also includes money market accounts as cash equivalents.

**TRITON PACIFIC CAPITAL, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006**

*Income Taxes – LLC*

The Company with consent of its Members has elected to be a California Limited Liability Company. For tax purposes the Company is treated like a partnership, therefore in lieu of business income taxes, the Members are taxed on the Company's taxable income. Therefore, no provision or liability for Federal Income Taxes is included in these financial statements. The State of California has similar treatment, although there exists a provision for a gross receipts tax and a minimum Franchise Tax of \$800.

**NOTE 2 – INCOME TAXES**

The Company is subject to a limited liability company gross receipts tax, with a minimum provision of \$800. For the year ended December 31, 2006, the Company recorded the minimum limited liability company income tax of \$800 and gross receipts tax of \$6,000.

**NOTE 3 – COMMITMENTS AND CONTINGENCIES**

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The Company entered into an arrangement with TPCP whereby it subleases office space from TPCP. The Company's allocable portion of the rent expense was \$91,578 for the year ended December 31, 2006 which represents 38% of the total rent.

**NOTE 4 – LITIGATION**

Triton Pacific Capital, LLC is not involved in any litigation. In the past, there were two lawsuits and counter lawsuits filed between the various owners and members of Triton Pacific Capital, LLC. All of the litigation between those parties has now been fully settled.

**NOTE 5 - NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC rule 5c3-1) which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Net capital and aggregate indebtedness change day by day, but on December 31, 2006, the Company had net capital of \$140,744 which was \$90,744 in excess of its required net capital requirement of \$50,000. The Company's ratio of aggregate indebtedness (\$25,853) to net capital was 0.18 to 1.

**TRITON PACIFIC CAPITAL, LLC**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2006**

**NOTE 6 - COMPUTATION OF DETERMINATION OF RESERVE  
REQUIREMENTS PURSUANT TO RULE 15c3-3.**

A computation of reserve requirements is not applicable to Triton Capital, LLC as the Company qualifies for exemption under Rule 15c3-3 (k)(2)(i) – “Special Account for the Exclusive Benefit of Customers” maintained.

**NOTE 7 – INFORMATION RELATING TO POSSESSION OR CONTROL  
REQUIREMENTS UNDER RULE 15c3-3**

Information relating to possession or control requirements is not applicable to Triton Capital, LLC as the Company qualifies for exemption under Rule 15c3-3 (k)(2)(i).

**ELIZABETH** CERTIFIED  
**TRACTENBERG** PUBLIC  
ACCOUNTANT

**INDEPENDENT AUDITOR'S REPORT  
ON THE SCHEDULE OF OPERATING EXPENSES**

Member  
Triton Pacific Capital, LLC

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The attached schedule of operating expenses for the year ended December 31, 2006 is presented for purposes of additional information and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Elizabeth Tractenberg*  
Elizabeth Tractenberg, CPA

Los Angeles, California  
February 25, 2007

TRITON PACIFIC CAPITAL, LLC  
COMPUTATION OF NET CAPITAL REQUIREMENTS PURSUANT  
TO RULE 15c3-1  
DECEMBER 31, 2006

COMPUTATION OF NET CAPITAL

Total ownership equity from statement of financial condition		\$ 2,985,093
Nonallowable assets:		
Commissions receivable	\$ 2,785,789	
Other assets	300	
Prepaid expenses	<u>58,260</u>	<u>2,844,349</u>
NET CAPITAL		<u>\$ 140,744</u>

COMPUTATION OF NET CAPITAL REQUIREMENTS

Minimum net aggregate indebtedness -		
6-2/3% of net aggregate indebtedness		<u>\$ 1,724</u>
Minimum dollar net capital required		<u>\$ 50,000</u>
Net Capital required (greater of above amounts)		<u>\$ 50,000</u>
EXCESS CAPITAL		<u>\$ 90,744</u>

Excess net capital at 1000% (net capital less 10% of aggregate indebtedness)		<u>\$ 138,159</u>
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COMPUTATION OF AGGREGATE INDEBTEDNESS

Total liabilities		<u>\$ 25,853</u>
Percentage of aggregate indebtedness to net capital		18.37%

The following is a reconciliation of the above net capital computation with the Company's corresponding unaudited computation pursuant to Rule 179-5(d)(4):

NET CAPITAL PER COMPANY'S COMPUTATION	\$ 140,744
---------------------------------------	------------

VARIANCE - NONE

See Accompanying Notes to Financial Statements

TRITON PACIFIC CAPITAL, LLC  
SCHEDULE OF OPERATING EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2006

OPERATING EXPENSES

Automobile expense	\$ 20,400
Depreciation	8,217
Dues and subscriptions	12,283
Employee benefits	11,505
Insurance:	5,947
Interest expense	2,612
NASD fees and assessments	14,596
Office expense	14,031
Outside Services	13,653
Parking	13,597
Postage and Delivery	3,111
Printing and Reproduction	3,079
Professional Fees	1,240,722
Rent	91,578
Salaries and wages	1,340,158
Telephone	21,728
Travel and entertainment	106,908
All other expenses	<u>9,324</u>
Total operating expenses	<u>\$ 2,933,449</u>

See Accompanying Notes to Financial Statements

PART II

TRITON PACIFIC CAPITAL, LLC

STATEMENT ON INTERNAL CONTROL

DECEMBER 31, 2006



**ELIZABETH** CERTIFIED  
**TRACTENBERG** PUBLIC  
ACCOUNTANT

REPORT OF INDEPENDENT AUDITOR  
ON INTERNAL ACCOUNTING CONTROL REQUIRED BY SEC Rule 17a-5

Member  
Triton Pacific Capital, LLC

In planning and performing my audit of the financial statements and supplemental schedules of Triton Pacific Capital, LLC (the Company) for the year ended December 31, 2006, I considered its internal control, including control activities for safeguarding securities, in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), I have made a study of the practices and procedures followed by the Company including tests of such practices and procedures that I considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under Rule 17a-5(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, I did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board Governors of the Federal Reserve System

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide

Member  
Triton Pacific Capital, LLC

management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

My consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, I noted no matters involving internal control, including control activities for safeguarding securities, that I consider to be material weaknesses as defined above.

I understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on my study, I believe that the Company's practices and procedures were adequate on December 31, 2006 to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the National Association of Securities Dealers, Inc., and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used for anyone other than these specified parties.

*Elizabeth Tractenberg*

Elizabeth Tractenberg, CPA  
Los Angeles, California  
February 25, 2006